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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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*Ex parte* JOHN HEFFERNAN AND NEIL P. HEFFERNAN

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Appeal 2019-004123  
Application 14/578,469  
Technology Center 3600

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BEFORE RICHARD M. LEOVITZ, ULRIKE W. JENKS, and  
MICHAEL A. VALEK, *Administrative Patent Judges*.

LEOVITZ, *Administrative Patent Judge*.

#### DECISION ON APPEAL

The Examiner rejected the claims under 35 U.S.C. § 103 as obvious and under 35 U.S.C. § 101 as reciting patent ineligible subject matter.

Pursuant to 35 U.S.C. § 134(a), Appellant<sup>1</sup> appeals from the Examiner's decision to reject the claims. We have jurisdiction under 35 U.S.C. § 6(b).

We AFFIRM.

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<sup>1</sup> We use the word "Appellant" to refer to "applicant" as defined in 37 C.F.R. § 1.42. Appellant identifies the real party in interest as John Heffernan and Neil P. Heffernan. Appeal Br. 3.

STATEMENT OF THE CASE

The Examiner rejected claims 1, 2, and 4–11 as follows:

Claims 1, 2, and 4–6 under 35 U.S.C. § 103 as obvious in view of Kountis (US 2010/0257060 A1, published Oct. 7, 2010) (“Kountis”) and Crisp (US 2014/0104656 A1, published Apr. 17, 2014) (“Crisp”). Non-Final Act. 5 (mailed June 8, 2018).

Claims 7–11 under 35 U.S.C. § 103 as obvious in view of Kountis and Myers (US 2005/0084329 A1, published Apr. 21, 2005) (“Myers”). Non-Final Act. 12.

Claims 1, 2, and 4–11 under 35 U.S.C. § 101 as being directed to a judicial exception to patent eligibility. Non-Final Act. 2.

There are two independent claims on appeal, claims 1 and 7. Claim 1 is illustrative and reproduced below:

1. A method for facilitating visual commercial advertising brokerage comprising the steps of
  - a. using a computer having digital data processing means, digital data storage means, digital data input means, digital data output means and digital data display means;
  - b. inputting into said computer digital storage means digital data regarding advertising venues, said digital venue data submitted by providers of visual advertising display space comprising availability, respectively, of a plurality of advertising venues which further comprise visual advertising display space opportunities, said advertising venues being unadorned spaces or previously unused surfaces on paper and plastic container products, on paper substrate products and on US Postal Service® products already adorned with primary advertising;
  - c. inputting into said computer digital storage means digital data comprising a plurality of bid requests for said advertising venues comprising available visual commercial advertising space submitted by bid requesters who are potential advertisers seeking to engage at least one of said venues

advertising display space opportunities to advertise goods or services;

d. concurrently withdrawing said digital data from said digital computer storage means and feeding it to said computer digital processing means;

e. digitally matching within said computer digital processing means said input digital data comprising said plurality of available-venue visual advertising display space opportunities with said plurality of bid requests for said venues comprising visual commercial advertising space;

f. digitally outputting the result of said matching of digital venue visual commercial advertising display space availability data with said commercial advertising visual display space bid request digital data so as to comprise a digitally-displayable and digitally storable resulting body of digital data comprising

(a) a plurality of commercial advertising visual display space bid requests for formatting a graphic display presentation to said providers of visual advertising display space as well as;

(b) a plurality of commercial advertising venue visual display space availabilities for formatting said graphic display presentation to said potential advertiser bid requesters who have submitted said bid requests for said available visual commercial advertising space; and

g. printing of secondary advertising by a bid requester on said unadorned surfaces of said advertising venues associated with a space provider matched to said bid requester and advertising said goods or services thereby.

Claim 7 comprises similar steps as claim 1, but the advertising venues are different and claim 1 recites “primary advertising,” but claim 7 does not.

#### OBVIOUSNESS BASED ON KOUNTIS AND CRISP

Claim 1 is directed to a method “for facilitating visual commercial advertising brokerage.” Steps a–f of the claim match “advertising venue”

opportunities with “bid requests” made by bid requesters who seek to advertise in the “advertising spaces” of the advertising venues. The advertising venues comprise “unadorned spaces or previously unused surfaces on paper and plastic container products, on paper substrate products and on US Postal Service® products already adorned with primary advertising” (step a). In step g, the final step of the claim, the advertising of the bid requester (the “secondary advertising”) is printed on the adorned surfaces.

The Examiner found that Kountis describes the steps of making bid requests for advertising spaces and matching the requests with the advertising spaces. Non-Final Act. 5–6. Kountis teaches that advertising spaces are “digital signage” in which “video or multimedia content is displayed in public places for informational or advertising purposes.” Kountis ¶ 5. Kountis explains that a “digital sign usually consists of a computer or playback device connected to a large, bright digital screen such as an LCD or plasma display.” *Id.* The advertising spaces in the claim, however, are on paper and plastic container products.

The Examiner cited Crisp as describing the claimed advertising venues and advertising spaces. Non-Final Act. 6–7. The Examiner determined it would have been obvious to one of ordinary skill in the art to utilize Crisp’s teaching “of advertising venues being unadorned spaces or previously unused surfaces on paper and plastic container products, on paper substrate products and on US Postal Service products already adorned with primary advertising, to create advertisement signage that could be intended for placement onto many items including signs, boxes.” *Id.* at 7.

Appellant contends that Crisp does not describe printing “secondary advertising on adorned spaces of ad venues” as required by the claims.

Appeal Br. 14. Appellant argues that while Crisp suggests printing “predefined data group data and, in some cases, customizable data group data, to durable sign stock, or as labels, same is not equivalent to printing secondary advertising on unadorned spaces of ad venues – unused spaces on paper/plastic products/container products.” *Id.*

This argument does not persuasively demonstrate an error in the Examiner’s rejection. The term “secondary advertising” is defined in the Specification as “added advertising being added to unadorned surfaces of a product, whether or not the product is adorned with a primary advertising logo thereon.” Spec. 2:13–15. Primary advertising is defined as “pre-existing advertising.” Spec. 2:15–16.

Crisp discloses:

As further alternatives, LABEL/SIGN STOCK could be intended for placement onto and/or (inserted) into another (advertisement display) item, and/or said item/product configured designated placement-area, items.

Crisp ¶ 64.

The LABEL/SIGN STOCK is the material on to which the advertising is printed:

[N]ext printing said TEMPLATE related data to said SIGN/LABEL STOCK for advertisement/display purposes; wherein said printed SIGN STOCK would typically be intended for mount and display; and wherein said printed LABEL STOCK would typically be intended for application to surfaces such as SIGNS, advertisement display products/items, windows, walls, etc.

Crisp ¶ 31.

Crisp therefore teaches applying advertising (the “LABEL/SIGN STOCK”) on to an “advertisement display” item. Crisp ¶¶ 64, 31.

As an example of an advertisement display, the Examiner cites Figure 16A of Crisp which shows a pre-printed “typical for sale SIGN” to which a label has been applied that contains printed contact information. Crisp ¶ 51; Fig. 16A. The Examiner also cited paragraph 64 of Crisp (Non-Final Act. 7:1–2) which discloses applying its printed label/signs to “advertisement signs,” “menu,” “greeting cards,” “product displays,” “services/information/event displays,” “advertisement displays,” “sporting equipment,” “catalog,” “catalog pages,” “brochures,” “and/or combinations and/or variations thereof.”

Here, we apply a dictionary definition of “advertising,” which is certainly within the broadest reasonable interpretation of that term as described in the Specification, to mean calling attention to a product, service, or event.<sup>2</sup> At least several of the examples cited in paragraph 64 of Crisp on which the printed label is placed or inserted (such as the catalogs and services/information/event displays), would reasonably be believed to contain pre-existing information that calls attention to the products or services contained therein. The printed pre-existing information therefore serves as the primary advertising required by claim 1 and the printed label/sign applied to the items serves as the secondary advertising.

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<sup>2</sup> Advertising: “the act or practice of calling public attention to one’s product, service, need, etc., especially by paid announcements in newspapers and magazines, over radio or television, on billboards, etc.”  
<https://www.dictionary.com/browse/advertising> (last accessed March 6, 2020).

Appellant argues that this disclosure in Crisp is not the same as “printing secondary advertising on unadorned spaces of ad venues,” but fails to address the specific disclosure in Crisp, particularly paragraph 64 cited by the Examiner, of applying advertising to open spaces on items, such as signs (Fig. 16A of Crisp; calls the public’s attention to whatever item the sign is associated that the item is for sale and is therefore advertising), catalogs, services/information/event displays, advertisement displays that would contain existing information, including promotional information.

Appellant argues that the Examiner’s rejection would change the principle of operation of Kountis and its intended purpose. Appeal Br. 14–15. This argument is not persuasive because Appellant did not explain how bidding for advertising space on the items described in Crisp would change the operation of Kountis’s bidding system. The only thing changed is that the bidding is for different items; the bidding process is still applied in the same way. Using Kountis’s bidding system for the type of advertising items in Crisp is using Kountis’s method for its known and expected function. As held in *KSR Int’l Co. v. Teleflex Inc.*, 550 U.S. 398, 417 (2007):

[I]f a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill. . . . [A] court must ask whether the improvement is more than the predictable use of prior art elements according to their established functions.

Moreover, as pointed out by the Examiner, Kountis specifically states that “[w]hile the present invention has been described in conjunction with specific embodiments it is evident that there are many alternatives, modifications and variations which fall within the spirit and broad scope of

the claims which follow” and that “[n]othing in the specific embodiments are intended to be read as otherwise limiting.” Kountis ¶ 66. Thus, Kountis is not limited to digital signage.

Appellant also did not address the Examiner’s determination that the advertising material is itself non-limiting because it is non-functional descriptive material that is insufficient to distinguish over the cited references. Non-Final Act. 5, 7.

Appellant also contends that the skilled worker would not “have thought to [have] looked to Crisp to modify Kountis to operate an auction for sales of advertising space on printed products (or municipal structures), and then actually printing secondary advertising on unadorned spaces of ad venues.” Appeal Br. 14. Appellant argues there is “no reason” to combine Kountis and Crisp. *Id.* at 15.

This argument is not persuasive. As discussed by the Examiner, applying Kountis’s bid system to Crisp would be obvious to the skilled worker because both references are directed to the field of advertising and Kountis specifically does not limit its embodiments to those expressly disclosed in it, reasonably suggesting that its bidding system could be applied to other types of signage. Non-Final Act. 22. Accordingly, we find that the Examiner’s determination that it would be obvious to apply Kountis’s bidding system to Crisp for its known and expected advantages to be supported by a preponderance of the evidence.

We have considered the Reply Brief and find the arguments in it do not go beyond those already presented in the Appeal Brief. Thus, we find the arguments to be unpersuasive for the reasons already discussed.

For the foregoing reasons, the rejection of claim 1 as obvious in view of Kountis and Crisp is affirmed. Claims 2 and 4–6 were not argued separately and fall with claim 1. *See* 37 C.F.R. § 41.37(c)(1)(iv).

#### REJECTION BASED ON KOUTNIS AND MYERS

Independent claim 7 has the same method steps recited in claim 1, but differs in reciting that the “advertising venues being unadorned spaces or unused surfaces on municipal structures.” The claim does not recite that the space comprises primary advertising as claim 1 did.

The Examiner relied on Kountis for describing the same method steps as in claim 1. Non-Final Act. 12–13. For the advertising venues being unused surfaces on municipal structures, the Examiner relied on Myers, citing paragraphs 175, 183, and 224. Non-Final Act 14. The Examiner’s rationale to combine Kountis and Meyers is to expand Kountis’s method to placing advertising on road surfaces by its bidding process. *Id.*

Appellant argues that there would be no reason to combine Kountis and Myers. Appeal Br. 16–17. However, we have already addressed this unpersuasive argument above. Applying Kountis to Myers would have been obvious to one of ordinary skill in the art for its expected advantage in matching bid requests with advertising venues. Appellant did not identify a change in function in Kountis that would be necessary to adapt it to Myer’s method. *Id.* at 17.

Appellant admits that Myers teaches applying visible advertising to roads. Appeal Br. 17. However, Appellant argues that “Myers cannot be said to be equivalent to printing or otherwise presenting the secondary advertising by a bid requestor on the unadorned surfaces or unused surfaces

on municipal structures (as claimed).” *Id.* at 18. Appellant also argues that Myers does not “disclose said advertising venues being *unadorned* spaces or *unused* surfaces on municipal structures, as required by claim 7.” *Id.*

This argument does not persuade us that the Examiner erred. Appellant has not distinguished the claimed municipal structures from roads. Appellant has also not provided evidence that Myers would be read to direct the skilled worker to print the advertisement on the surface of the road which already has printing, as opposed to on an unadorned or unused surface. It is logical that the skilled worker, when printing advertising on a road as described by Myers (¶¶ 175, 183, and 224) would chose a surface that is unadorned so the advertising would be visible and could be read. Unlike claim 1 which specifically recites that the products are “already adorned primary advertising,” claim 7 lacks this limitation. Accordingly, we interpret claim 7 to lack this requirement.

In the Reply Brief, Appellant allegedly responds to arguments made by the Examiner in the Answer. Reply Br. 6. Appellant’s additional arguments, however, do not go beyond those already presented in the Appeal Brief.

Appellant also makes separate arguments for claim 11 for the first time in the Reply Brief. The rules do not permit new arguments in a Reply Brief unless certain conditions are met. Under 37 C.F.R. § 41.41(b)(2):

Any argument raised in the reply brief which was not raised in the appeal brief, or is not responsive to an argument raised in the examiner's answer, including any designated new ground of rejection, will not be considered by the Board for purposes of the present appeal, unless good cause is shown.

Appellant has not shown “good cause” why this argument should be considered now, nor how it is responsive to an argument made in the

Answer, when the rejection in the Answer is the same rejection set forth in the Final Office Action. Appellant made no attempt to even argue that 37 C.F.R. § 41.41(b)(2) was satisfied.

For the foregoing reasons, the obviousness rejection of claim 7 as obvious in view of Kountis and Myers is affirmed. Claims 8–11 were not argued separately and fall with claim 7. *See* 37 C.F.R. § 41.37(c)(1)(iv).

## § 101 REJECTION

### Principles of Law

Under 35 U.S.C. § 101, an invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” However, not every discovery is eligible for patent protection. *Diamond v. Diehr*, 450 U.S. 175, 181 (1981). “Excluded from such patent protection are laws of nature, natural phenomena, and abstract ideas.” *Id.* at 185. The Supreme Court articulated a two-step analysis to determine whether a claim falls within an excluded category of invention. *Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 573 U.S. 208 (2014); *Mayo Collaborative Servs. v. Prometheus Labs, Inc.*, 566 U.S. 66, 75–77 (2012).

In the first step, it is determined “whether the claims at issue are directed to one of those patent-ineligible concepts.” *Alice*, 573 U.S. at 217. If it is determined that the claims are directed to an ineligible concept, then the second step of the two-part analysis is applied in which it is asked “[w]hat else is there in the claims before us?” *Id.* The Court explained that this step involves

a search for an ‘inventive concept’ — *i.e.*, an element or combination of elements that is ‘sufficient to ensure that the

patent in practice amounts to significantly more than a patent upon the [ineligible concept] itself.’

*Alice*, 578 U.S. at 217–18 (citing from *Mayo*, 566 U.S. at 75–77).

*Alice*, relying on the analysis in *Mayo* of a claim directed to a law of nature, stated that in the second part of the analysis, “the elements of each claim both individually and ‘as an ordered combination’” must be considered “to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *Alice*, 578 U.S. at 217.

The PTO has published revised guidance on the application of 35 U.S.C. § 101. USPTO’s January 7, 2019 Memorandum, *2019 Revised Patent Subject Matter Eligibility Guidance*, 84 Fed. Reg. 50, 51–57 (2019) (“Eligibility Guidance”). This guidance provides additional direction on how to implement the two-part analysis of *Mayo* and *Alice*.

Step 2A, Prong One, of the 2019 Guidance, looks at the specific limitations in the claim to determine whether the claim recites a judicial exception to patent eligibility. In Step 2A, Prong Two, the claims are examined to identify whether there are additional elements in the claims that integrate the exception in a practical application, namely, is there a “meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.” Eligibility Guidance, 84 Fed. Reg. 54 (2. Prong Two).

If the claim recites a judicial exception that is not integrated into a practical application, then as in the *Mayo/Alice* framework, Step 2B of the Eligibility Guidance instructs us to determine whether there is a claimed “inventive concept” to ensure that the claims define an invention that is

significantly more than the ineligible concept, itself. Eligibility Guidance, 84 Fed. Reg. 56.

With these guiding principles in mind, we proceed to determine whether the claimed subject matter in this appeal is eligible for patent protection under 35 U.S.C. § 101.

#### Discussion

Claim 1 is directed to a “method for facilitating visual commercial advertising brokerage.” Following the first step of the *Alice/Mayo* analysis, we find that the claim is directed to a process, and therefore falls into one of the broad statutory categories of patent-eligible subject matter under 35 U.S.C. § 101. We thus proceed to Step 2A, Prong One, of the Eligibility Guidance.

#### Step 2A, Prong One

In Step 2A, Prong One, of the Eligibility Guidance, the specific limitations in the claim are examined to determine whether the claim recites a judicial exception to patent eligibility, namely whether the claim recites an abstract idea, law of nature, or natural phenomenon.

The Examiner found that the claims “are directed towards providing an advertising exchange/auction that facilitates buying and selling of advertising spaces.” Non-Final Act. 2. The Examiner found that the claims represented the abstract idea of “organizing human activity” and that the recited “limitations/steps can be performed by a person using a pen and paper, and the claimed invention is implemented using generic, conventional elements.” *Id.* at 4.

We agree with the Examiner’s determination. The claims, as discussed by the Examiner, involve facilitating advertising brokerage. The

Eligibility Guidance lists “[c]ertain methods of organizing human activity” as one of the three groupings of abstract ideas, and describes “advertising, marketing or sales activities or behaviors” as within this group. Eligibility Guidance, 84 Fed. Reg. 52. The steps of the claim involve inputting advertising venues having display spaces and bid requests for the display (steps b–c), matching the display space with bid requests (step e), outputting the results of the match (step f), and then printing the advertising (step g). Each of these steps is integral to the advertising bidding and printing process therefore the Examiner reasonably found that the claim recites steps of a method of organizing human activity.

The Examiner also found that the steps could be accomplished by the human mind with the aid of a pen and paper and therefore constitutes a mental process, another enumerated group of abstract ideas. Non-Final Act.

4. As explained in the 2019 PEG Update,<sup>3</sup>

If a claim recites a limitation that can practically be performed in the human mind, the limitation falls within the mental processes grouping, and the claim recites an abstract idea. The use of a physical aid (i.e., the pen and paper) to help perform a mental step (e.g., a mathematical calculation) does not negate the mental nature of this limitation.

PEG Update 9 (footnotes omitted).

Here, collecting information about the available display space (step b), collecting bids (step c), and matching space to bids (step e) can be performed in the human mind using pen and paper by writing each down, then mentally matching bids to requests and recording the matches in writing

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<sup>3</sup> Available at [https://www.uspto.gov/sites/default/files/documents/peg\\_oct\\_2019\\_update.pdf](https://www.uspto.gov/sites/default/files/documents/peg_oct_2019_update.pdf) (last accessed Nov. 15, 2019) (“PEG Update”).

(step f). Consequently, we agree with the Examiner's statement that the claim recites mental processes, one of the three categories of abstract ideas listed in the Eligibility Guidance (84 Fed. Reg. 52).

Appellant in challenging the rejection, failed to address the Examiner's determination that the claims represented methods of organizing human activity and mental processes, and only focused their arguments on *Electric Power Group, LLC v. Alstrom, SA*, 830 F.3d 1350 (Fed. Cir. 2016) (Appeal Br. 11), the case cited by the Examiner. Non-Final Act. 3. However, we have not relied on this case in this decision.

In the Reply Brief, Appellant states that in the Answer, the Examiner asserted "that independent claims 1 and 7 recite the abstract concept of advertising/marketing activities or behaviors, which also represents a method of organizing human activity." Reply Br. 3.

As explained above, the Examiner in the Non-Final Office Action had determined that the claims recited a method of organizing human activity. Non-Final Act. 4:3–5; 19:17, 20:6. The issue was not newly raised in the Answer. Appellant had the opportunity to respond to this issue, but failed to do so in the Appeal Brief. Appellant's response in the Reply Brief is therefore not responsive to an argument made in the Answer because it is the *same* argument made in the Non-final Office Action. *See* 37 C.F.R. § 41.41(b)(2) (arguments made in the reply brief must be responsive to an argument made in the Answer). Nonetheless, Appellant did not provide persuasive arguments in the Reply Brief to dispute the Examiner's determination that the claims recite methods of organizing human activity or mental processes.

In sum, the Examiner’s determination that the claims recite abstract ideas is supported by a preponderance of the evidence. We thus proceed to Step 2A, Prong Two, of the Eligibility Guidance.

Step 2A, Prong Two

Prong Two of Step 2A under the 2019 Eligibility Guidance asks whether there are additional elements that integrate the exception into a practical application. As discussed in the Eligibility Guidance, “[a] claim that integrates a judicial exception in a practical application will apply, rely on, or use the judicial exception in a manner that places a meaningful limit on the judicial exception, such that the claim is more than a drafting effort designed to monopolize the judicial exception.” Eligibility Guidance, 84 Fed. Reg. 54.

Integration into a practical application is evaluated by identifying whether there are *additional elements* individually, and in combination, which go beyond the judicial exception. Eligibility Guidance, 84 Fed. Reg. 54–55.

Appellant states:

Finding and bidding on unadorned and unused surfaces, and then actually performing the printing on same is **MORE** than an abstract idea or concept, under the holdings in *Mayo* and *Alice*. The step or act of printing secondary advertising (by a bid requester) on said unadorned surfaces of said advertising venues associated with a space provider matched to said bid requester and advertising said goods or services thereby, moves the inventive method beyond the abstract concepts.

Appeal Br. 10–11.

The steps in which the information about the advertising venue display space and the bid requests are inputted into the computer are integral to the method of organizing human activity and are also mental steps

because they can be performed in the human mind with the aid of paper and pen. Thus, they are not additional elements of the claim beyond the judicial exception. “Claims can recite a mental process even if they are claimed as being performed on a computer.” PEG Update 8. The Court in *Alice* made clear that a claim directed to an abstract idea does not become patent eligible under § 101 by “merely requir[ing] generic computer implementation.” *Alice*, 573 U.S. at 221.

In this case, Appellant has not provided evidence that the computer elements recited in the claim (computer digital data processing means, digital storage means, etc.) perform any differently than how computers are known to perform, namely, record information into memory and execute software instructions. Thus, we do not consider the computer elements to add “more” to the claim because they merely automate a mental process.

Appellant also states that elements e and g of claims 2 and 7 “include more than the judicial exception, in a meaningful way beyond generally linking [the computing device] use to particular technological environment.” Reply Br. 3 (brackets in the original).

This argument is not persuasive. Step e recites the step of “digitally matching” the display space availability with the bid request. As explained above, this step can be performed mentally with a pen and paper. It is therefore a mental process and an abstract idea. The “additional” limitation necessary to integrate the abstract idea into a practical application must be “beyond” the exception, itself. Eligibility Guidance, 84 Fed. Reg. 55. Here, it is not.

The last step of the claim, step g, comprises printing the advertising. The printing of the ad does not represent an improvement to a technology or

technical field because printing the advertisement material does not improve or change the claimed bidding process. The printing step g has no impact on steps a–f of the claim. The claim also does not recite with any specificity how the printing is accomplished. Therefore, it cannot be said to be an improvement to printing technology.

This case is distinguishable from *McRO, Inc. v. Bandai Namco Games Am. Inc.*, 837 F.3d 1299 (Fed. Cir. 2016). In *McRO*, the claims were directed to a “method for automatically animating lip synchronization and facial expression of three-dimensional characters.” *McRO*, 837 F.3d, 1307–08. The claim recited a series of steps that “produce[d] lip synchronization and facial expression control of said animated characters.” *Id.* The *McRO* court found that claimed process was patent eligible because following the rules of the claim resulted in a “technological improvement over the existing, manual 3-D animation techniques.” *McRO*, 837 F.3d at 1316. Here, steps a–f recited in the claim do not improve printing step g or the printed advertisement produced as a result. The claim simply recites “printing of secondary advertising,” with no steps recited of how that is accomplished.

Appellant argues that “each claimed method requires printing secondary advertising on said unadorned surfaces of said advertising venues, to realize a physical end product and/or structure with the advertisements provided thereon” which is “a concrete implementation of the abstract idea.” Appeal Br. 12.

The claim matches a bid request to an available advertising display space, but the matching step does not change how the printing is accomplished or what gets printed. It tells the computer what advertising to

print and therefore the printing is merely extra-solution activity. Printing does not take the claim out of the realm of abstract ideas. Rather, it is simply appended to the claim adding “insignificant extra-solution activity to the judicial exception.” Eligibility Guidance, 84 Fed Reg. 55.

In cases where the abstract ideas embodied in the claim were integrated into a practical application, the court that following the method steps improved a technical field or solved a problem. For example, in *DDR Holdings, LLC v. Hotels.com, L.P.*, 773 F.3d 1245 (Fed. Cir. 2014), the court explained:

[T]hese claims stand apart because they do not merely recite the performance of some business practice known from the pre-Internet world along with the requirement to perform it on the Internet. Instead, the claimed solution is necessarily rooted in computer technology in order to overcome a problem specifically arising in the realm of computer networks.

*Id.* at 1257.

Here, the process recited in the claims can be carried out mentally, and once the match is made, the advertising is printed. The printing step does not solve a problem.

The claims are also ineligible for similar reasons as in *Parker v. Flook*, 437 U.S. 584 (1978). In *Flook*, the claim was directed to a “method for updating the value of at least one alarm limit on at least one process variable involved in a process comprising the catalytic chemical conversion of hydrocarbons.” *Flook*, 437 U.S. at 596–97 (Appendix to Opinion). The steps comprised determining a new alarm base using a mathematical algorithm, using the alarm base to update an alarm limit, and then adjusting the alarm limit to the update value. *Id.* The Court found the claim to be unpatentable under Section 101. In reaching this determination, the Court

found that the “post-solution activity” in adjusting the alarm was insufficient to establish patent eligibility to the claim because the claim as a whole was not “an inventive application of the principle.” *Id.* at 594.

Here, we find the same deficiency. Appellant has not adequately explained how the printing step g is integrated into the bidding process, rather than just serving as insignificant, post-solution activity that does not confer patent eligibility. *See Apple, Inc. v. Ameranth, Inc.*, 842 F.3d 1229, 1142 (Fed. Cir. 2016) (affirming finding that limitations reciting “printing features” were “insignificant post-solution activities”).

Because we conclude that the Examiner correctly found that the abstract idea recited in claims 1 and 7 are not integrated into a practical application, we look at whether the steps provide an inventive concept.

### Step 2B

Under Step 2B of the Eligibility Guidance, we ask, as in the *Mayo/Alice* framework, whether there is an inventive concept. In making this Step 2B determination, we must consider whether there are specific limitations or elements recited in the claim “that are not well-understood, routine, conventional activity in the field, which is indicative that an inventive concept may be present” or whether the claim “simply appends well-understood, routine, conventional activities previously known to the industry, specified at a high level of generality, to the judicial exception, indicative that an inventive concept may not be present.” Eligibility Guidance, 84 Fed. Reg. 56 (footnote omitted). We must also consider whether the combination of steps in the claim perform “in an unconventional way and therefore include an ‘inventive step,’ rendering the claim eligible at

Step 2B.” *Id.* In this part of the analysis, we consider “the elements of each claim both individually and ‘as an ordered combination’” must be considered “to determine whether the additional elements ‘transform the nature of the claim’ into a patent-eligible application.” *See Alice*, 573 U.S. at 217.

Appellant contends that that “further requiring printing secondary advertising on said unadorned surfaces of said advertising venues, to realize a physical end product and/or structure with the advertisements provided thereon, which again, is a concrete implementation of the abstract idea of an ‘inventive concept.’” Reply Br. 4. Appellant has not provided evidence that the printing step of claims 1 and 7 is inventive, rather than being “well-understood, routine, conventional activity in the field.” Eligibility Guidance, 84 Fed. Reg. 56. This step is not performed any differently alone, or in combination with the process steps in claims 1 and 7 that determine what secondary advertising to print.

Consequently, under Step 2B, we are not persuaded that the Examiner erred in determining that the additional limitations of claim 1 do not transform the claim into significantly more than the abstract idea.

For the foregoing reasons, the rejection of claim 1 is affirmed. Separate arguments were not made for claims 2 and 4–11. These claims therefore fall with claim 1. 37 C.F.R § 41.37(c)(1)(iv).

CONCLUSION

In summary:

<b>Claims Rejected</b>	<b>35 U.S.C. §</b>	<b>Reference(s)/Basis</b>	<b>Affirmed</b>	<b>Reversed</b>
1, 2, 4-6	103	Kountis, Crisp	1, 2, 4-6	
7-11	103	Kountis, Myers	7-11	
1, 2, 4-11	101	Eligibility	1, 2, 4-11	
<b>Overall Outcome</b>			<b>1, 2, 4-11</b>	

TIME PERIOD

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED